STATE BONDING FUND PERFORMANCE REPORT FOR JULY 2001

Assets as of July 31, 2001

* RATES OF TOTAL RETURN

Part	-	,									
LARGE CAP EQUITY					Month Ended						
LARGE CAP EQUITY Value LSV				•		I 04		0 00			
Value		<u>\$(000)</u>	Alloc	Alloc	<u>Jul-01</u>	<u>Jun-01</u>	<u>Mar-01</u>	<u>Dec-00</u>	Sep-00	FYID	6/30/2001
Total Small Cap Dom. Equity 25 2.5% 2.3% 1.19% 8.10% -0.57% 7.52% 11.45% 1.19% 28.80% RUSSELL 1000 VALUE 1.25% 1.25% 2.3% 3.25% 1.03% -0.51% 1.72% 4.10% 3.26% 3	LARGE CAP EQUITY										
RUSSELL 2000 YALUE O-21%	Value										
Crowth		125	2.5%	2.3%							
Alliance Capital 132 2.7% 2.3% 3.26% 10.03% 20.15% 17.25% 4.04% 3.26% 30.23% 20.58% 2.50% 30.13% 20.15% 21.35% 5.3% 2.50% 30.13% 20.15% 21.35% 2.50% 30.13% 20.15% 21.35% 2.50% 30.13% 20.15% 21.35% 2.50% 30.15% 30.23% 20.15% 21.35% 2.50% 30.15% 30.23% 20.15% 21.35% 20.25% 30.15% 30.23% 20.15% 30.23%	RUSSELL 1000 VALUE				-0.21%	4.88%	-5.86%	3.60%	7.86%	-0.21%	10.33%
Alliance Capital 132 2.7% 2.3% 3.26% 10.03% 20.15% 17.25% 4.04% 3.26% 30.23% 20.58% 2.50% 30.13% 20.15% 21.35% 5.3% 2.50% 30.13% 20.15% 21.35% 2.50% 30.13% 20.15% 21.35% 2.50% 30.13% 20.15% 21.35% 2.50% 30.15% 30.23% 20.15% 21.35% 2.50% 30.15% 30.23% 20.15% 21.35% 20.25% 30.15% 30.23% 20.15% 30.23%	Growth										
Core State Street		132	2.7%	2.3%	-3.26%	10.03%	-20.15%	-17.25%	-4.04%	-3.26%	-30.23%
State Sireet 499 10.1% 10.5% -0.98% 5.81% -11.93% -7.82% -1.05% -0.98% -15.00% S.8P 500 -0.98% -15.00% -0.98% -15.00% -14.83% S.8P 500 -0.98% -15.00% -0.98% -15.00% -0.98% -15.00% -0.98% -15.00% -0.98% -14.83% -1.04% -0.98	RUSSELL 1000 GROWTH				-2.50%	8.42%	-20.90%	-21.35%	-5.38%	-2.50%	-36.18%
State Sireet 499 10.1% 10.5% -0.98% 5.81% -11.93% -7.82% -1.05% -0.98% -15.00% S.8P 500 -0.98% -15.00% -0.98% -15.00% -14.83% S.8P 500 -0.98% -15.00% -0.98% -15.00% -0.98% -15.00% -0.98% -15.00% -0.98% -14.83% -1.04% -0.98	Coro										
SAP 500 1.04% 5.85% 11.86% 7.82% 0.97% 0.98% 14.83%		499	10.1%	10.5%	-n 98%	5.81%	-11 93%	-7 82%	-1 05%	-0.98%	-15 00%
SAP 500 SMALL CAP EQUITY SEI Investments		400	10.170	10.070							
SAP 500 SMALL CAP EQUITY SEI Investments SEI SEI Investments SEI Investments SEI SEI Investments SEI Investments SEI Investments SEI SEI Investments SEI Investments SEI SEI Investments SEI											
SEI Investments 263 5.3% 5.0% 5.0% 3.30% N/A N/A N/A N/A N/A N/A 3.30% N/A		756	15.3%	15.0%							
Sel Investments 263 5.3% 5.0% 3.30% N/A N/A N/A N/A N/A 3.30% N/A	5&P 500				-0.98%	5.85%	-11.80%	-7.82%	-0.97%	-0.98%	-14.83%
RUSSELL 2000 + 2000 bp	SMALL CAP EQUITY										
RUSSELL 2000 + 2000 bp											
TOTAL SMALL CAP DOM. EQUITY 263 5.3% 5.0% 3.30% 14.24% 9.33% -10.36% 3.24% 3.30% 4.21% RUSSELL 2000 5.41% 14.29% 6.51% 6.91% 1.11% 5.41% 0.57% 5.41% 14.29% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.57% 6.51% 6.91% 1.11% 5.41% 0.55% 6.51% 6.91% 1.11% 5.41% 0.55% 6.51% 6.91% 1.11% 5.41% 0.55% 6.51% 6.91% 1.11% 5.41% 0.55% 6.51%		263	5.3%	5.0%							
RUSSELL 2000	RUSSELL 2000 + 200 bp				-5.24%	N/A	N/A	N/A	N/A	-5.24%	N/A
RUSSELL 2000	TOTAL SMALL CAP DOM FOLLITY	263	5 3%	5.0%	-3 30%	14 24%	-9 39%	-10 36%	3 24%	-3 30%	-4 21%
CONVERTIBLES Trust Company of the West F.B. CONVERTIBLE SECURITIES INDEX 8 9.8% 10.0% 2.96% 4.74% -10.11% -13.01% 3.09% -2.96% -1.97% -11.87% F.B. CONVERTIBLE SECURITIES INDEX INTERNATIONAL EQUITY - Core Capital Guardian 468 9.5% 10.0% 3.30% 0.94% -8.89% -7.10% -11.64% -3.30% -24.42% MSCI 50% HEDGED EAFE INDEX (1) -2.74% 0.15% -10.44% 3.47% -8.07% -2.74% -20.41% FIXED INCOME Core - Index Bank of North Dakota 1,068 21.7% 22.5% 2.46% 0.31% 3.29% 4.24% 2.79% 2.46% 11.02% LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% Core Bond Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.01% 2.24% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 1.192% 11.33% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% BND - Money Market Account 484 9.8% 10.0% 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% 1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% 0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix -0.06% -0.06% 0.25% -0.05% 0.07% -0.06% 0.72% Asset Mix -0.06% 1.42% -0.22% 0.55% 0.07% -0.06% 0.72%		203	J.J /0	3.0 /0							
Trust Company of the West F.B. CONVERTIBLE SECURITIES INDEX -1.97% -1.97% -1.97% -1.1231% -1.244% -1.231% -1.244% -1.231% -1.244% -1.231% -1.245% -1.2											
F.B. CONVERTIBLE SECURITIES INDEX -1.97%		400	2.00/	40.00/	0.000/	4 = 40/	40 440/	40.040/	2 222/	0.000/	4= ===
NTERNATIONAL EQUITY - Core			9.8%	10.0%							
Capital Guardian March M	F.B. CONVERTIBLE SECURITIES INDE	.^			-1.97 70	4.1270	-0.24 70	-12.3170	2.95%	-1.97 70	-11.07 70
MSCI 50% HEDGED EAFE INDEX (1) -2.74% 0.15% -10.44% -3.47% -8.07% -2.74% -20.41% FIXED INCOME Core - Index Bank of North Dakota 1,068 21.7% 22.5% 2.46% 0.31% 3.29% 4.24% 2.79% 2.46% 11.02% 11.02% 12.69% 11.13% Core Bond Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 1.18% 3.42% 4.29% 3.00% 2.46% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.18% 3.00% 2.46% 1.10% 1.	INTERNATIONAL EQUITY - Core										
FIXED INCOME Core - Index Bank of North Dakota		468	9.5%	10.0%							
Core - Index	MSCI 50% HEDGED EAFE INDEX (1)				-2.74%	0.15%	-10.44%	-3.47%	-8.07%	-2.74%	-20.41%
Core - Index	FIXED INCOME										
Bank of North Dakota LB GOVT/CORP 1,068 21.7% 22.5% 2.46% 0.31% 3.29% 4.24% 2.79% 2.46% 11.02% 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% Core Bond Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 12.62% LB AGGREGATE 2,24% 0.56% 3.03% 4.21% 3.01% 2.24% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 11.92% 11.92% LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.51% 0.33% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix -0.05% -0.05% -0.08% 0.06% 0.25% -0.05% -0.06% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%											
LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% Core Bond Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 12.62% 1.262% 0.56% 3.03% 4.21% 3.01% 2.24% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 11.92% 11.92% 11.92% 12.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK TOTAL VALUE ADDED DUE TO Asset Mix -0.05% -0.06% 0.25% -0.05% -0.06% 0.72% 4.20% -0.55% 0.07% -0.06% 0.72%		1,068	21.7%	22.5%	2.46%	0.31%	3.29%	4.24%	2.79%	2.46%	11.02%
Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 12.62% LB AGGREGATE 2.24% 0.56% 3.03% 4.21% 3.01% 2.24% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 11.92% 11.92% LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39%	LB GOVT/CORP				2.49%	0.30%	3.20%	4.37%	2.87%	2.49%	11.13%
Western Asset 1,409 28.6% 27.5% 2.46% 1.18% 3.42% 4.29% 3.20% 2.46% 12.62% LB AGGREGATE 2.24% 0.56% 3.03% 4.21% 3.01% 2.24% 11.22% TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 11.92% 11.92% LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39%	Cara Band										
LB AGGREGATE 2.24% 0.56% 3.03% 4.21% 3.01% 2.24% 11.22%		1 409	28.6%	27 5%	2 46%	1 18%	3 42%	4 29%	3 20%	2 46%	12 62%
TOTAL FIXED INCOME 2,477 50.2% 50.0% 2.46% 0.80% 3.36% 4.27% 3.02% 11.92% 11.92% LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix -0.05% -0.05% -0.06% 0.25% -0.05% -0.06% 0.25% -0.05% -0.06% 0.72%		1,400	20.070	27.070							
LB GOVT/CORP 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% CASH EQUIVALENTS BND - Money Market Account 90 DAY T-BILLS TOTAL FUND 4,931 100.0% 100.0% 0.32% 1.2% 1.51% 1.63% 1.51% 0.33% 5.90% POLICY TARGET BENCHMARK TOTAL VALUE ADDED DUE TO Asset Mix Active Management 2.49% 0.30% 3.20% 4.37% 2.87% 2.49% 11.13% 0.32% 5.85% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% 1.00% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% 1.005% -0.05% -0.05% -0.06% 0.25% -0.05% -0.06% 0.72%											
CASH EQUIVALENTS BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix -0.05% -0.05% -0.05% -0.06% 0.25% -0.05% -0.06% 0.72% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%		2,477	50.2%	50.0%							
BND - Money Market Account 484 9.8% 10.0% 0.32% 1.00% 1.40% 1.62% 1.71% 0.32% 5.85% 90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix -0.05% -0.29% -0.08% 0.06% 0.25% -0.05% -0.06% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%	LB GOV I/CORP				2.49%	0.30%	3.20%	4.37%	2.87%	2.49%	11.13%
90 DAY T-BILLS 0.33% 1.12% 1.51% 1.63% 1.51% 0.33% 5.90% TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix Active Management -0.05% -0.29% -0.08% 0.06% 0.25% -0.05% -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%	CASH EQUIVALENTS										
TOTAL FUND 4,931 100.0% 100.0% 0.27% 3.44% -2.32% -1.24% 1.31% 0.27% 1.10% POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO Asset Mix Active Management -0.05% -0.05% -0.08% 0.06% 0.25% -0.05% -0.06% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%		484	9.8%	10.0%							
POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO 4.05% -0.29% -0.08% 0.06% 0.25% -0.05% -0.06% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%	90 DAY T-BILLS				0.33%	1.12%	1.51%	1.63%	1.51%	0.33%	5.90%
POLICY TARGET BENCHMARK 0.39% 2.28% -2.02% -0.75% 0.98% 0.39% 0.44% TOTAL VALUE ADDED DUE TO 4.05% -0.29% -0.08% 0.06% 0.25% -0.05% -0.06% Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%	TOTAL FUND	1 021	100.0%	100.0%	0.27%	3 110/	2 220/	1 2/10/	1 21%	0.27%	1 10%
TOTAL VALUE ADDED DUE TO Asset Mix Active Management -0.05% -0.29% -0.08% 0.06% 0.25% -0.05% -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%		4,331	100.0 /6	100.070							
Asset Mix					/0						
Active Management -0.06% 1.42% -0.22% -0.55% 0.07% -0.06% 0.72%					-0.05%	-0.29%	-0.08%	0.06%	0.25%	-0.05%	-0.06%
Taral Value Add at 1997 1997 1997 1997 1997 1997 1997 199											
Total value Added -0.12% 1.14% -0.30% -0.49% 0.32% -0.12% 0.65%	Total Value Added				-0.12%	1.14%	-0.30%	-0.49%	0.32%	-0.12%	0.65%

⁽¹⁾ Prior to October 1, 2000, the benchmark for this asset class was the MSCI $\it Unhedged$ EAFE Index.

^{*} NOTE: Monthly returns and market values are preliminary and subject to change. Returns are net of management fees.